



MARKET DISCLOSURE POLICY

SIMS' COMMITMENT TO CONTINUOUS DISCLOSURE

Sims Metal Management Limited (Sims) is committed to:

- ensuring all stakeholders have equal and timely access to information made available by Sims;
- complying with the continuous disclosure obligations contained in the ASX Listing Rules and the Corporations Act.

The Group General Counsel and Company Secretary (Group Secretary) is responsible for the general management of this policy, including all communications with ASX.

This policy applies to all directors and employees of, and contractors and secondees to, the Sims Group, although, for convenience, this policy refers only to 'employees'.

1. SIMS' CONTINUOUS DISCLOSURE OBLIGATIONS

1.1 Immediate disclosure of market sensitive information

Sims will immediately disclose to the market, by an announcement to ASX, any information concerning Sims that it is or becomes aware of that a reasonable person would expect to have a material effect on the price or value of Sims' securities (market sensitive information). Consistent with ASX guidance on the interpretation of immediately, Sims will do so promptly and without delay.

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1.2 Market sensitive information

Market sensitive information is information that a reasonable person would expect to have a material effect on the price or value of Sims securities. A reasonable person expects this if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to subscribe for, or buy or sell, Sims' securities.

While this is an objective test, ultimately Sims must decide whether it has market sensitive information requiring disclosure. If an employee is in doubt whether a matter is material, they should ask their supervisor or the Group Secretary.

The Disclosure Committee may determine guidelines (financial and qualitative) for materiality of information and make determinations whether a matter is or is not material.

Examples – Examples of information that may be market sensitive include:

- material changes in actual or forecast financial performance;
- changes in Sims' Board, the CEO or Group executives;
- a material acquisition or disposal;
- a material equity or debt capital raising;
- a change in a credit rating applied to Sims or its securities;
- Sims' dividend determinations/declarations;
- a material legal dispute;
- occurrence of material fraud; and
- a matter having a material adverse effect on Sims' reputation.

Not all matters listed above will necessarily require disclosure. Other matters may require disclosure even if they are not listed above.

1.3 Exception to immediate disclosure

Disclosure is not required where each of the following is satisfied:

- one or more of the following applies:
 - it would be a breach of a law to disclose the information;
 - the information concerns an incomplete proposal or negotiation;
 - the information comprises matters of supposition or is insufficiently definite to warrant disclosure; or
 - the information is generated for the internal management purposes of Sims, or the information is a trade secret.
- the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- a reasonable person would not expect the information to be disclosed.

The possible application of such an exemption does not exempt the obligation of any employee to communicate market sensitive information under this policy.

The Disclosure Committee will decide whether such an exception applies.

2. DISCLOSURE RESPONSIBILITIES AND PROCEDURES

2.1 Disclosure Committee

Sims has established a Disclosure Committee which is responsible, and accountable to the Sims board of directors (Board), for the effective implementation of this policy. The members of the Disclosure Committee are the Group Chief Executive Officer (CEO), the Group Chief Financial Officer (CFO), the Group Secretary and the Director Investors Relations. The Chairman of the Board (Chairman) has a standing invitation to attend meetings of the Disclosure Committee.

The primary role of the Disclosure Committee is to manage Sims' compliance with its continuous disclosure obligations. In particular, the Disclosure Committee:

- ensures proper consideration is given to the appropriateness, quality and adequacy of market sensitive information that is proposed to be released to ASX by Sims;
- makes recommendations to the Board regarding the disclosure of market sensitive information to ASX in relation to matters of significance to Sims;
- approves all other disclosure of market sensitive information to ASX;
- ensures the systems and processes covered by this policy are operating effectively;
- is authorized to request a trading halt in Sims' shares. Prior to making such a decision, subject to any continuous disclosure obligations, the Disclosure Committee will refer to the Board the reasons for that decision.

2.2 Responsibilities of employees

Each employee must:

- read and familiarize themselves with this policy;
- be alert to identify any potentially market sensitive information and must immediately

inform their immediate supervisor or a Disclosure Officer if they become aware of any potentially market sensitive information;

- protect the confidentiality of any information that may be market sensitive.

Employees must consult their immediate supervisor or a Disclosure Officer if they are unsure whether a matter should, or needs to be, disclosed.

Any employee who considers that market sensitive information has not been appropriately notified within Sims in accordance with this policy or disclosed to ASX should immediately contact their immediate supervisor or a Disclosure Officer.

2.3 Disclosure officers and their responsibilities

The CEO, CFO, Group Secretary and Director Investor Relations have each been appointed as a Disclosure Officer.

A Disclosure Officer is responsible for reviewing matters raised by employees to determine whether a Disclosure Committee meeting or an announcement is required.

2.4 Role of the Board

The Board has delegated to the Disclosure Committee responsibility for the day-to-day operation of this policy.

The Board (through the Chairman, or in his/her absence the Chair of the Disclosure Committee) will be consulted on all decisions relating to material announcements or, subject to any continuous disclosure obligations, decisions to request a trading halt.

The Board will:

- review, and where appropriate, approve, half and full-year financial results, and any other announcements that the Chairman or Chair of the Disclosure Committee request be reviewed by the Board;
- monitor the effectiveness of this policy and Sims' continuous disclosure compliance, through the Disclosure Committee;
- approve any request for a voluntary suspension of Sims' shares; and
- approve this policy, and any amendments from time to time.

2.5 CEO Responsibilities

The CEO's responsibilities include:

- chairing the Disclosure Committee; and
- in circumstances where the Disclosure Committee or the Board cannot be assembled promptly and without delay, decide whether an ASX announcement should be made and, if so, to approve the form of that announcement, and to request a trading halt.

2.6 CFO Responsibilities

The CFO's responsibilities include:

- reviewing and confirming any financial information included in any announcements;
- reviewing and confirming that the actual or projected outcomes for any period are not materially different from any published guidance;
- formulating quantitative guidelines for material information; and
- in conjunction with the Director Investor Relations, the conduct of Sims' communications with analysts and investors, and monitoring Sims' share price on a continuous basis and report unexpected movements to the Disclosure Committee.

2.7 Group Secretary Responsibilities

The Group Secretary's responsibilities include:

- overseeing the preparation of, and authorising, administrative lodgements with ASX;
- reviewing announcements and providing advice or procuring external advice on continuous disclosure matters;
- reporting on continuous disclosure issues, as appropriate, to the Board;
- periodically reviewing this policy for legislative changes or developments in best practice, and recommending to the Disclosure Committee any amendments that may be required;
- informing the Board and appropriate Group executives after a material announcement is made; and
- preparing a record of Disclosure Committee discussions, including documenting all decisions made and reasons for decisions to announce or not to announce to ASX.

2.8 Market sensitive information must be released to ASX first

Sims will not disclose any market sensitive information publicly that is required to be disclosed through ASX until Sims has received confirmation of its release by ASX.

In the case of announcements of market sensitive information, once Sims has received confirmation of release from ASX, Sims must promptly inform investors that the announcement has been made by posting a notice on Sims' website.

2.9 Correcting and updating announcements

If Sims becomes aware that information disclosed to ASX is, or has become, materially misleading or inaccurate, or contains a material omission, Sims must immediately release an announcement correcting or updating the relevant statement in accordance with this policy.

2.10 Periodic disclosure obligations do not affect continuous disclosure obligations

Sims makes periodic disclosures pursuant to the ASX Listing Rules and the Corporations Act. Compliance with periodic disclosure requirements does not affect Sims' continuous disclosure obligations.

Any employee who becomes aware, during the course of preparing a periodic disclosure, of any potentially market sensitive information must immediately refer the matter to a Disclosure Officer for consideration by the Disclosure Committee, regardless of whether the periodic disclosure document is ready for release.

3. MARKET SPECULATION, RUMOURS AND EXTERNAL COMMUNICATION

3.1 No comment policy for employees

Sims generally does not respond to market speculation or rumours unless required to do so to correct or prevent a false market in Sims' securities.

3.2 Statements regarding market speculation and rumours – false market

Sims will immediately issue a statement in relation to market speculation or rumour, by an announcement to ASX, if:

- the Disclosure Committee considers Sims has an obligation at that time to make a statement to the market about a particular matter to comply with its continuous disclosure obligations, or
- ASX considers there is, or is likely to be, a false market in Sims' securities and asks Sims to give ASX information to correct or prevent a false market in Sims' securities.

The obligation to give information to ASX to correct or prevent a false market applies even if the exception to immediate disclosure applies. A 'false market' refers to a

situation where there is material misinformation or materially incomplete information in the market which is compromising proper market discovery in relation to Sims' securities, for example where there is a false rumour circulating in the market.

3.3 Monitoring the market

Sims adopts the following practices, amongst others, to ensure compliance with its continuous disclosure obligations and the avoidance of a false market in Sims' securities:

- **Media:** The Group Director, Corporate Communications and the Director Investor Relations monitor the media (including relevant unrestricted social media) to detect issues that may require Sims to make an announcement or take other action in accordance with its continuous disclosure obligations.
- **Share price:** The CFO and the Director Investor Relations monitor the price of Sims' securities on a continuous basis.
- **Market earnings expectations:** The CFO and the Director Investor Relations monitor analyst reports so Sims has an understanding of what the market is expecting its earnings to be for the current reporting period and whether these market expectations differ materially from Sims' internal earnings forecasts. Any material matters arising are referred to the Group Secretary for action under this policy.

Additional scrutiny of media and markets is undertaken during periods leading up to announcements concerning particularly material market sensitive information.

3.4 No embargo of information

Sims will not disclose market sensitive information publicly (for example, to analysts or journalists) under an embargo arrangement.

3.5 Employee obligation to protect confidential information

Maintaining the confidentiality of information is paramount to Sims' effective operation and success and in ensuring that Sims complies with its legal obligations, including its continuous disclosure obligations. This obligation of confidentiality forms part of Sims' Code of Conduct, which applies to all employees.

3.6 Prohibition on selective disclosure

Sims will not communicate market sensitive information to an external party except where that information has previously been disclosed by an announcement to ASX in respect of which Sims has received confirmation of release from ASX.

3.7 Referral of requests for comment

If any employee, other than the CEO or their nominated delegate, receives a request for comment from an external investor, analyst or the media in relation to any matter concerning Sims, they must advise that person that they are not authorised to speak on behalf of Sims and must refer enquiries from:

- investors and stockbroking analysts, to the Director Investor Relations, or
- the media, to the Group Director, Corporate Communications.

4. STOCKBROKING ANALYST AND INSTITUTIONAL INVESTOR BRIEFINGS

4.1 Dealing with analysts

Sims conducts briefings for analysts and institutional investors from time to time. To seek to ensure that Sims complies with its continuous disclosure obligations, briefings with analysts and institutional investors will be co-ordinated by the Director Investor Relations who will maintain records of the information disclosed.

Sims must not give analysts or other select groups of market participants any non-public market sensitive information at any time, such as during analyst briefings, when responding to analysts' questions or when reviewing draft analyst research reports.

All information given to analysts at a briefing, such as presentation slides, and any presentation material from public speeches given by Board members or members of management that relate to Sims or its business should also be given to the Group Secretary for immediate release to the ASX and posted on Sims' website. The information must always be released to the ASX before it is presented at an analyst or investor briefing.

4.2 Analyst reports

Sims recognises the important role analysts play in assisting the establishment of an efficient market with respect to Sims' securities. However, Sims is not responsible for, and will not endorse, analyst reports that contain commentary on Sims.

Sims will not:

- incorporate analyst reports (including hyperlinks to analyst websites) in any Sims corporate information, including Sims, website;
- provide undisclosed market sensitive information in response to a request to comment on a draft analyst report;
- under any circumstances, comment on any earnings estimates that may be contained in analyst reports;
- enter into any specific discussion of any detail in analysts' models.

Analyst reports may be reviewed only to correct factual inaccuracies on historical matters. Where Sims corrects any factual inaccuracies or comments on an analyst report, a disclaimer will be included in the response provided to the analyst to the effect that Sims is not responsible for, and does not endorse, the analyst report.

Where an analyst sends a draft report to Sims for comment, they must immediately be referred to the Director Investor Relations.

4.3 Prohibition on earnings guidance

Sims will not expressly or implicitly provide institutional investors or stockbroking analysts with earnings guidance that has not been disclosed by an announcement to ASX.

In addition, Sims' authorised spokespersons must avoid making comments:

- which indicate that Sims' or the market's current financial projections or reports are incorrect, or
- evaluating a particular earnings estimate.

4.4 Authorised spokespersons

The only employees authorised to speak at briefings with analysts and/or institutional investors are:

- the CEO;
- the CFO;
- the Director Investor Relations;
- the Group executives of Sims' business units;
- senior line management approved by the CEO or CFO;
- their delegates nominated for that purpose.

The Chairman is the authorised spokesperson on behalf of the Board.

4.5 Windows for conducting briefings

Briefings with analysts and/or institutional investors are permitted at all times, other than during the following designated blackout periods:

- the period from 20 June until 10am on the trading day following the release of Sims' full-year results to the ASX;
- the period from 20 December until 10am on the trading day following the release of Sims' half-year results to the ASX;
- the two week period immediately preceding 10am on the trading day following the day on which Sims holds its annual general meeting; and
- any other period that Sims specifies as a black-out period.

5. COMPLIANCE AND REVIEW

This policy is available to all employees on Sims' intranet. The Group Secretary and the Group VP, Learning & Development will ensure employees are regularly reminded of their obligations under this policy and will arrange appropriate training for employees who handle market sensitive information or interact with external parties.

Non-compliance with this policy and Sims' continuous disclosure obligations may breach the Corporations Act or the ASX Listing Rules and damage Sims' reputation.

Breaches of this policy may lead to disciplinary action being taken against an employee, including dismissal in serious cases.

Employees should report all breaches of this policy to the Group Secretary.

The Disclosure Committee will review this policy periodically to determine whether the policy remains effective in ensuring Sims meets its disclosure obligations.

All amendments to this policy (other than administrative matters) must be approved by the Board.

This Policy was reviewed and adopted by the Board on 30 January, 2019.